
HR metrics: implementation at technical companies

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Abstract

The HR metrics use corporate data and convert it into sources of essential information, always directly related to human resources of the company. They are considered as a reliable tool that can contribute to effective decision - making and implementation of policies related to human capital. Through HR Metrics the administration of the company can be informed of the quantitative and qualitative characteristics of the employees and their contribution to the productivity and economic results of the company. The importance of HR metrics as reliable information factors for making the right decisions is growing internationally and companies explore how they can use them to improve organizational effectiveness. However, it has been observed that HR metrics are not used - implemented always effectively and only a small number of companies uses them. However, great interest in the implementation of HR metrics has been presented the last years. The majority of the HR managers have a positive view for this "new" tool and are willing to implement it, even in a pilot level initially. Furthermore, there is no reference concerning the technical companies and the use of HR metrics. In this study a comprehensive description & critical review of the available HR metrics is attempted. An empirical methodological approach with focus on a case study in the construction industry takes place regarding the type, context and effectiveness of HR metrics and a qualitative analysis of data from technical companies takes place. The HR Metrics that are the most suitable to be used at technical companies are selected and analyzed according to the framework of the Chartered Institute of Personnel and Development (CIPD).

The study results in the creation of a model of HR metrics for technical companies providing evidence that this model is a very useful tool for the managers in order to monitor and evaluate the main characteristics of their company concerning its most valuable component; the Human Resources. Recommendations are provided for HR policy and decision makers.
